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UNITED STATES OF AMERICA

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

\$15,768,787.86 IN FUNDS,

Defendant.

No. 2:22-CV-05862

VERIFIED COMPLAINT FOR
FORFEITURE

18 U.S.C. §§ 981(a)(1)(A) and (C) and 984
[H.S.I.]

Plaintiff United States of America brings this claim against defendant
\$15,768,787.86 in Funds, and alleges as follows:

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JURISDICTION AND VENUE

1. The government brings this in rem forfeiture action pursuant to 18 U.S.C. §§ 981(a)(1) (A) and (C) and 984.

2. This Court has jurisdiction over the matter under 28 U.S.C. §§ 1345 and 1355.

3. Venue lies in this district pursuant to 28 U.S.C. § 1395.

PERSONS AND ENTITIES

4. The plaintiff in this action is the United States of America.

5. The defendant is \$15,768,787.86 in Funds (the “defendant funds”) wired to a United States Treasury account on or about March 15, 2022 from Sunny Bank Account ending in last four digits 0061 held in the name of I-Yun Yih, also known as “Nancy Yih” (“Yih”).

6. The defendant funds are currently in the custody of United States Customs and Border Protection, Department of Homeland Security (“CBP”) in this District, where they will remain subject to this Court’s jurisdiction during the pendency of this action.

7. Because Yih agreed to forfeit the defendant funds, there are no specific persons or entities that the government can identify whose interests may be adversely affected by these proceedings. Nevertheless, the government will publish notice of these proceedings via the internet to any other potential third-party claimants, advising those third parties of their right to file a claim to the defendant funds and an answer to the Complaint for forfeiture.

BASIS FOR FORFEITURE

Background of Investigation

8. In connection with an investigation conducted by Department of Homeland Security – Homeland Security Investigations, investigators learned that Yih was engaging in illegal activity including money laundering and customs violations. Among the money laundering methods detected, investigators found that Yih, through her wholesale clothing business L.A. Idol Fashion, Inc. (“LA IDOL”) located in downtown

1 Los Angeles, systematically undervalued goods imported from China through a double
2 invoicing scheme and failed to report large cash transactions.

3 9. The following is a partial summary of the illegal activity. Between 2011 to
4 2014, Yih systematically submitted fraudulent documentation to CBP, significantly
5 underreporting the value of imported goods from Chinese manufacturers, causing a loss
6 in duties and taxes to the U.S. government of over \$8 million. Yih avoided paying
7 appropriate duties and taxes by accurately paying commercial invoices from foreign
8 manufacturers (for example, buying 100 units of merchandise, each for \$5) and then
9 submitting false commercial invoices to CBP (declaring, for example, 80 units of
10 merchandise, each at a value of \$3 rather than the actual number of units and value paid).
11 This scheme prevented the United States from assessing and collecting appropriate
12 duties, while Yih continued to profit on the sale of the unreported and undervalued
13 goods. Yih laundered the proceeds of her scheme by promoting further customs
14 violations (i.e., paying for new imported merchandise, which was, again, underreported)
15 and by using sale proceeds to purchase various real properties in California.

16 10. Based on reviewing bank records and conducting surveillance and
17 interviews, investigators learned that Yih also frequently accepted large cash payments
18 at LA IDOL from individuals on behalf of reported customers in Mexico. Yih deposited
19 millions of dollars into U.S. banks, and despite being notified of the reporting
20 requirement, never filed a single Financial Crimes Enforcement Network (“FinCen”)
21 Form 8300. Individuals or businesses involved in a trade or business, who, in the course
22 of that trade or business, receive more than \$10,000 in cash in one transaction, or in two
23 or more related transactions over the course of a 12-month period are required by 31
24 U.S.C. § 5331 to file FinCen Form 8300 within 15 days of the transaction. Form 8300
25 includes identifying information about the customer and the transaction.

26 *Subject Sunny Bank Account 0061*

27 11. Sunny Bank account ending in last four digits 0061 (“Sunny Bank 0061”),
28 the account that contained the defendant funds, was opened in Taiwan in the name of

1 Yih, on March 18, 2013. That same day, Yih also opened Sunny Bank account ending in
2 last four digits 5878 in the name of Yih's father, Tu Chun-Chin ("Sunny Bank 5878").

3 12. On March 18, 19, and 20, 2013, three wire transfers, in the amounts of
4 \$4,999,963.05, \$4,999,963.10, and \$2,999,963.10, respectively were made into Sunny
5 Bank 0061 from Bank of America account ending in last four digits 0788 ("BofA
6 0788"). BofA 0788 was a personal checking account opened along with personal
7 savings account 0778 by Yih on January 17, 2013, using her Taiwanese passport. BofA
8 0788 received bulk cash deposits believed to be proceeds from LA IDOL, including a
9 deposit of \$810,880.00 on February 19, 2013.

10 13. On March 20, 2013, and March 21, 2013, two wire transfers were made
11 from Sunny Bank 0061 to Sunny Bank 5878 totaling \$9.8 million (\$4.5 million and \$5.3
12 million respectively). On those same days, wires totaling \$9.8 million were sent from
13 Sunny Bank Account 5878 to one of Yih's U.S. Bank accounts at First General Bank.
14 \$7.8 million of these funds were wired to American Trust Escrow on July 15, 2013, for
15 the purchase of a real property.

16 14. On December 21, 2018, a two-count information was filed against Yih in
17 *United States v. I-Yun Yih*, Case No. 2:18-CR-00896-ODW for violations of 18 U.S.C. §
18 545 and 18 U.S.C. § 1956(a)(1)(A)(i). On the same date, Yih entered into a plea
19 agreement wherein she pled guilty to violations of 18 U.S.C. § 545 and 18 U.S.C.
20 § 1956(a)(1)(A)(i) and agreed to forfeit the defendant funds as proceeds of said
21 violations.

22 15. With the assistance of Yih and the Taiwanese Ministry of Justice, the
23 defendant funds were then wired to a United States Treasury account from Sunny Bank
24 0061 account on or about March 15, 2022. The defendant funds are therefore subject to
25 forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 984.

26 WHEREFORE, plaintiff United States of America prays:

27 (a) that due process issue to enforce the forfeiture of the defendant funds;

28 (b) that due notice be given to all interested parties to appear and show cause

1 why forfeiture should not be decreed;

2 (c) that this Court decree forfeiture of the defendant funds to the United States
3 of America for disposition according to law; and

4 (d) for such other and further relief as this Court may deem just and proper,
5 together with the costs and disbursements of this action.

6 Dated: August 18, 2022

STEPHANIE S. CHRISTENSEN

Acting United States Attorney

SCOTT M. GARRINGER

Assistant United States Attorney

Chief, Criminal Division

JONATHAN GALATZAN

Assistant United States Attorney

Chief, Asset Forfeiture Section

12 /s/ Katharine Schonbachler

13 KATHARINE SCHONBACHLER

Assistant United States Attorney

14 Attorneys for Plaintiff

15 United States of America

VERIFICATION

I, Melanie Aguilar, hereby declare that:

1. I am a Special Agent with Homeland Security Investigations and the case agent for the forfeiture matter entitled United States of America v. \$15,768,787.86 in Funds.

2. I have read the above Verified Complaint for Forfeiture and know its contents. It is based upon my own personal knowledge and reports provided to me by other law enforcement agents.

3. Everything contained in the Complaint is true and correct, to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed August 16, 2022 in Los Angeles, California.



MELANIE AGUILAR